

# *PwC Namibia*

## *Mining Capability Statement*

*2015*



*At the core of the industry.  
At the forefront of developments.  
Delivering value.*



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## About PwC Namibia

In Namibia, PwC employs 230 staff of which 14 are partners / directors, and 4 Associate Directors located in two offices, Windhoek and Walvis Bay.

We have a diverse client base covering the full spectrum of economic activities, and we provide a range of services to match.

We strive to be a transformed firm that represents the demographics of Namibia, and also to create an environment that will enable growth and economic empowerment for all our people, in particular those that were previously disadvantaged. As one of the largest professional services firms in the world and in Namibia, we believe that we have a responsibility to play a role in empowering all the people of our country, starting with our staff.

We know that the value we create to our clients creates the relationship they are looking for. That being said, the partnership at this firm adds value on empowerment, development, growth, and socio economic change in Namibia.

The relationship we look for is a long term relationship where association has long term value for all. We believe mining companies make a large economic contribution to Namibia. Besides tax to the government, mining companies seem to be engaged in a lot of corporate responsibilities and are also the agents for collecting a number of other taxes on behalf of the Government.

# **What differentiates PwC in Namibia?**

With over 200 professional staff operating from two offices, PwC is the leading professional services provider in Namibia. We provide a comprehensive range of professional services to clients throughout the country. We are clearly distinct from our competitors in approach as well as corporate identity with a few excerpts being:

- PwC produced the first black female CA who then became first black and first female president of the Institute of Chartered Accountants of Namibia (ICAN). We currently also have the distinction of producing the second female and incumbent president of ICAN.
- Our clients include private sector businesses – both multinational and national; many government institutions – at national and local levels and financial institutions.
- Our advisory practice encompasses national priorities. We have recently hosted a Prototype Week for Namibia, which aims at soliciting private and public sector input in harnessing innovation and entrepreneurship as intellectual capital towards the attainment of a digital economy for Namibia. The workshop has yielded a number of Prototyping projects aimed at accelerating growth and innovation in the areas of ICT, energy and finance.
- We publish the Business and Investment Guide for Namibia.
- Our corporate partnerships are far-reaching. We have recently partnered with the Ministry of Trade & Industry on the CNN Eye on Namibia campaign, which aims to promote Namibia through features and news reports; covering various topics on business prospects, people, culture and the economy.
- For the past 9 years, we have been hosting the annual Namibian Budget Speech event on the day that the national budget is read out by the Minister of Finance. The event is followed by a lively panel discussion with the Minister of Finance, other Cabinet Ministers and representatives of the Namibian Business Community.



- The PwC Namibia Tax team produces a monthly newsletter ([www.pwc.com/na](http://www.pwc.com/na)) to keep our clients up to date on developments in tax and related legislation. This is in addition to alerts on significant new legislation announcements.
- Our tax team is the only one in Namibia with specialist partners for direct (income), indirect (VAT and Customs) and employee taxes.

# ***Audit and Assurance Services***

We act as service providers to numerous mining companies in Namibia. We are confident and well placed to service the needs of mining industry clients. Based on our understanding and knowledge, we have pleasure in setting out their immediate needs as well as future needs.

- Energy, Mining and Utility companies want audit teams to understand their issues and business challenges when analyzing financial performance. Our dedicated Mining professionals receive specialized training, including regular updates on regulatory and technical issues. This training is augmented by both internal and external industry events, which brings our people the in-depth knowledge that allows them to walk and talk the industry with their clients.
- Our audits are performed with precise service commitments that add value and minimize risks to the business. Our audit methodology is based on PwC's globally developed methodology. We make use of specialist per industry in providing you with quality service.
- Our approach starts at the same point as your business – with your strategies and business objectives. Through discussions with senior and operational management, we build an understanding of your business objectives and the associated risks. We then focus on addressing those risks that may impact on your financial reporting.
- We are also well resourced in providing training programmes to help you embed International Financial Reporting Standards ("IFRS") as your reporting framework. These training programmes are tailored to meet your needs, making use of the most cost effective

and appropriate channels of learning available

Our audit is directed towards delivering assurance at the following levels:

#### *for Shareholders and other stakeholders*

- » Independent opinion and reports that add credibility to financial information released by your company.

#### *for Audit Committees*

- » Assistance in discharging their corporate governance and compliance responsibilities.

#### *for Management*

- » Observations and advice on financial reporting and business issues from professionals who have in-depth knowledge and understanding of your business and industry.
- » Assistance in the areas of bookkeeping and the preparation of financial statements.
- » Providing internal audit services including reviewing internal controls and drawing up accounting and procedural manuals.

#### *for Group Reporting*

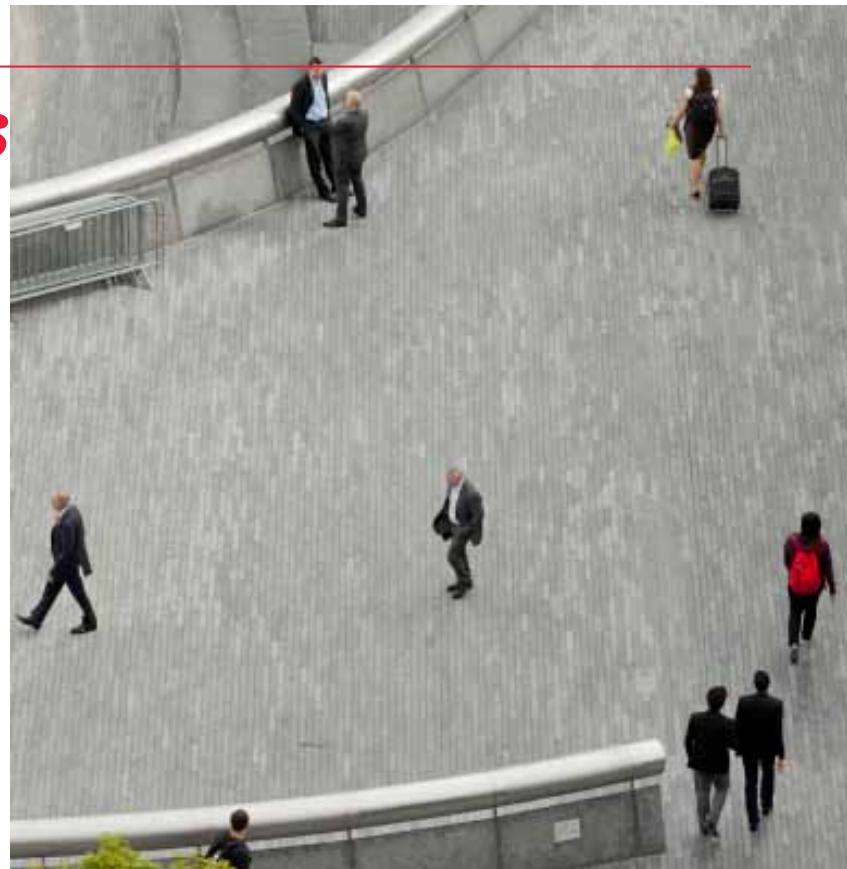
- » Clearance to group auditors in order to meet group reporting requirements.

At PwC we pride ourselves with our depth of our industry knowledge. Our local and international perspective is an attribute that our clients value highly. We invest significant resources in building and sharing such knowledge. Our thought leadership is a result of the latest research and points of view on emerging industry trends, industry-specific performance benchmarks based upon global best practices, and shared methodologies and approaches to complex business issues.

# Tax Services

The need is common in this industry for comprehensive tax risk management. This includes compliance with new taxation legislation and understanding the impact of proposed legislation.

Tax law is complex and changes often. That's why we at PwC are passionate about it. We love working with our clients to help them to understand and apply the law and to find innovative solutions to their tax problems. In today's complex environment, businesses require the combination of commercial, accounting and legal advice that we offer.



## *Our Tax experience servicing clients in the mining sector includes:*

- Keeping our clients up to date on legislative developments through our newsletters or training;
- Preparing and reviewing current and deferred tax calculations (applying mining specific tax legislation);
- Consulting on technical interpretation of the Namibian Income Tax and Petroleum Income Tax Acts;
- Receiver of Revenue liaison to obtain technical rulings and resolve technical queries;
- Conducting Namibian tax due diligences procedures as part of global PwC Merger and Acquisition teams;
- Consulting on funding structures for multinational groups investing in Namibia;

- Managing Namibian compliance obligations for a top tax compliance portfolio including multinational groups;
- Expatriate support for mining company foreign employees (including tax and immigration);
- Payroll and employee tax services (mining subcontractors)
- Research on consultations with Namibia Inland Revenue on the impact of proposed tax legislation.

**PwC Namibia has a strong Namibian Tax team, with 50 dedicated tax specialists.**

# **Tax Services** – a broad skilled team providing solutions to mining companies

***The PwC Namibia Tax team deals with the Directorate of Inland Revenue in Namibia on a daily basis regarding tax interpretation and tax compliance.***

## **1. Income tax services include:**

### ***Consulting***

- Technical opinions on taxes in Namibia
- Tax considerations for setting up business in Namibia
- Optimal tax planning
- Business restructuring
- Reducing tax compliance risks
- Transfer pricing policy documentation
- Transfer pricing compliance reviews
- Tax Accounting services- Income and deferred tax calculations

### ***Compliance***

- Calculation and submission of provisional tax returns
- Completion & Submission of returns of income tax
- Record keeping and comparison of assessments by Receiver of Revenue
- Notification of discrepancies on assessments of income tax returns
- Application for extension for the submission of income tax returns

### ***Tax function effectiveness reviews***

- Tax strategy
- Tax policies
- Tax Risk Assessment
- Internal controls in the tax cycle
- Tax Process documentation and operation manuals

# **Tax Services – In Namibia, PwC acts as tax advisors to various mining companies**

## **2. Our services in Value-Added Tax include:**

### **Consulting**

- Technical opinions on Value-Added Tax in Namibia
- Assistance with Audit of Tax Risks
- Value- Added Tax refund audits
- Rulings and opinions
- Calculation of apportionment ratio

### **Compliance**

- Application for the extension for the payment of Value- Added Tax due
- Application for waiving of penalties
- Value- Added Tax Balance investigation
- Value- Added Tax registration and deregistration

### **Value-Added Tax reviews**

- Health checks
- High level review
- 3 year input recovery review
- Audit of Value-Added Tax

## **3. Customs and Excise services include:**

- Cross-border valuation of goods
- Provision of monthly Asycuda import reports



# ***Human Resource Services -***

## ***Focusing on the mining industry in Namibia***

***We advise on all aspects of the human resources function including:***

### ***HRS Consulting:***

- Reward consulting
- Research
- Performance Improvement
- Knowledgeworkx
- Payroll and Expatriate tax services

### ***Training & Development***

- Organisational development
- Personal development
- Staff development
- Management and leadership development
- Frontline staff development



# **Advisory Services** - PwC's business advisory professionals provide clients with the confidence to succeed by helping them anticipate, create and manage change

PwC's advisory practice provides advice and assistance based on financial, analytical and business process skills to corporations, government bodies and intermediaries in the implementation of strategies relating to creating/acquiring/financing businesses; integrating business into current operations; enhancing performance; improving management and control; dealing with crises; and restructuring and realizing value.

Our services are provided in an objective manner that helps clients create stakeholder value, build trust and communicate with the marketplace.

- Around the world, organizations engage us to assist them to capture opportunities, navigate risks and deliver lasting change across business networks.
- Our consultants bring together a full range of functional and industry skills to help you in this environment. We take the time to listen and have the courage to debate different points of view – based on independent and challenging insights, supported by facts and industry benchmarks.

In particular, we help clients to:

- Build effective organisations;
- Innovate and grow profitably;
- Reduce costs;
- Leverage talent;
- Manage risks and regulation;
- Execute better deals; and
- Restructure troubled businesses.

- Our global network unites behind a common focus: to deliver a customised, client-centred approach to meeting client needs. Below are a few of the distinctive things we do in our Advisory Line of Service:

*Put our clients first* – Each client situation is unique, and we tailor our approach to every relationship and engagement.

*View the world from a client's perspective* – From the initial client meeting onward, we listen first, then assemble a hand-picked team from across the firm.

*Creativity of a consultant* – We help our clients create lasting value by bringing together the precision, structure, and deep analytical capabilities of audit and tax and the creative mindset and problem-solving skills of consulting.

*Focus on action, impact, and value* – We don't just assess and recommend; we also help our clients implement with agility and flexibility.

# **Advisory Services** - Our areas of focus include:

## *Risk Advisory Services*

- Investigations
- Accounting litigation support
- Forensic technology solutions
- Anti- corruption and fraud services
- Internal Audit Services
- System Process Assurance Governance and Sustainability
- Risk and Regulatory Solutions
- Financial Risk Services
- Anti- Money Laundering Consulting

## *Performance Improvement*

- Business Process Management
- Turnaround and Transformation
- Business Continuity Management
- Talent Management
- Asset Management
- Project Management



# ***Our existing mining clients***

*Our clients within the Mining industry include:*

- Swakop Uranium (Pty) Ltd
- B2Gold Namibia (Pty) Ltd
- Fingas International Ltd
- Rossing Uranium Ltd
- Valencia Uranium Ltd
- INV Exploration Namibia (Pty) Ltd
- Northbank Diamonds Ltd
- Etendeka Prospecting and Mining Company Ltd
- Skeleton Coast Diamonds Ltd (Secrac)
- Bondi Mining Namibia (Pty) Ltd
- Basil Read Mining (Namibia) (Pty) Ltd
- Protea Chemicals (Namibia) (Pty) Ltd
- Harmony Gold Mining Co Ltd
- Gold One International Ltd
- African Barrick Gold
- Goliath Gold Mining Ltd
- Columbus Stainless Steel (Pty) Ltd
- Vametco Minerals Corporation
- Foskor Limited
- Merafe Resources Ltd
- Gecko Mining (Pty) Ltd
- Purity Manganese (Pty) Ltd
- Laurelton-Reign Diamonds (Pty) Ltd
- Genesis Mining and Engineering Services Namibia (Pty) Ltd
- Dundee Precious Metals Tsumeb (Pty) Ltd
- Namibia Diamond Trading Company

# Our Team



## ***Nangula Uaandja*** ***Country Senior Partner***

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Nangula is the Managing Partner of PwC Namibia, has over 16 years experience in auditing and has served as partner on the audits of various institutions, public entities, corporate, energy and utilities and donor-funded clients. She has also been involved in non-audit work such as fraud investigation, assisting clients with budgetary processes, the analysis and interpretation of financial statements and presentations on the roles and responsibilities of directors and a host of other relevant topics.

Amongst her other responsibilities, she is an Assurance Partner in charge of our Public and Energy and Utilities sectors and also assumes responsibilities for the firm's Learning and Education and Human Capital departments. To this end, she is responsible for identifying potential students, especially from previously disadvantaged groups for bursary allocation and frequently conducts personal interviews with candidates to offer them employment.

Her professional memberships and experience include the following: From 2006 - 2008, Nangula was the first black and first female President of the Council of the Institute of Chartered Accountants of Namibia (ICAN) and has also served on various sub-committees of ICAN since 2002. From 2004 -2010 she served as a member of the Public Accountant's and Auditors Board and has been Patron of the University of Namibia Accounting Society from 2003 to present. Nangula served as a member of the Tax Court Appeal for over five years. She was appointed as a member of the first Public Office Bearers' Remuneration and Benefits Committee by the President of the Republic of Namibia from 2006-2009. In 2010 she represented ICAN on the board of the National Qualifications Authority (NQA). Nangula is also a board member of the PwC Southern Africa Governing Board and is currently the chairperson of the African Leadership Institute.

She was also appointed by the Prime Minister of the Republic of Namibia in 2005 as one of three members to shortlist and interview candidates for the positions of Director and Deputy Director of the Anti-Corruption Commission (ACC). Similarly, she served on the interview panel for the position of Deputy Auditor-General. In 2011, Nangula was named The Namibian Economist Business Woman of the Year

# Our Team *(continued)*



## ***Stéfan Hugo*** ***Tax Leader***

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Stéfan started his career at PwC in 2001 and gained extensive experience on a wide range of clients and industries in Namibia and whilst working for PwC UK in London.

As Tax Service Line leader for PwC Namibia, Stefan heads the Corporate Tax, Tax Compliance, VAT, Human Resource Services and Company Secretarial teams of PwC Namibia.

He and his team regularly consult clients on local and cross-border transactions, collaborating with Namibian Regulatory and Tax Authorities as well as experts in the PwC global network. The Namibian tax compliance team manages Namibian compliance obligations for a top tax compliance portfolio including local entities and multinational groups.

As partner responsible for Human Resource Services, Stefan and his team assist clients with Namibian remuneration benchmarking, total cost packages and job grading. Over the past 4 years Stefan acted as relationship director for HRS clients and managed assignment teams of HR consulting and remuneration specialists.

Stéfan is a member of the Namibia Chamber of Commerce Tax subcommittee. He served on the Institute of Chartered Accountants of Namibia (ICAN) tax committee and is the chairman of the Finance Committee of the Namibia Qualifications Authority Council. He was appointed as a councillor on the National Council of Higher Education in 2012.

Stéfan is a graduate of the African Leadership Institute program. He is the vice-chairman of the recently established Prototype Core Committee (for promoting a digital economy in Namibia).

# **Our Team** *(continued)*



## **Gerrit Esterhuyse** *Assurance Partner*

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Gerrit started off his career with PwC in 2005. He gained extensive experience as a trainee accountant and an audit manager on a vast array of clients operating in various industries including financial services, healthcare, construction, retail, pharmaceuticals, fishing, oil and gas, agriculture and transport. His exposure includes being the audit manager of various groups, of which several of the groups included listed clients, requiring interoffice reporting as multinational clients or other US GAAP requirements.

Gerrit became a partner on 1 July 2013 in our Walvis Bay office and is responsible for PwC's mining portfolio as well as some other blue chip clients. Gerrit also frequently acts as trainer and presenter of various internal and external training.

Gerrit is a qualified Chartered Accountant and a member of the Institute of Chartered Accountants of Namibia ("ICAN"), the South African Institute of Chartered Accountants ("SAICA") and the Public Auditors' and Accountants' Board ("PAAB") in Namibia.

# ***Our Team (continued)***



***Frans Murray***  
***Advisory Director***

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Frans is a Director who recently joined the Advisory team at PwC Namibia. He was previously an Associate Director at PwC in Pretoria, South Africa, where he gained extensive experience on a wide range of clients and across several industries including mining, manufacturing, information and communication technologies and entertainment. Frans is a member of the South African Institute of Chartered Accountants (SAICA) and Information Systems Audit and Control Association (ISACA).

# **Our Team** *(continued)*



***Johan Nel***  
***Tax Associate Director***

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Johan started his career with PwC Namibia in 2006 and gained extensive experience on a wide range of clients and industries in the auditing environment. Johan spent a year working in Jersey in the Channel Islands where he gained experience on international clients in the trust and fund industries.

Johan moved to the Tax department in 2010 where he has gained valuable experience across various industries. He is actively involved in the preparation of tax calculations; consulting clients on cross-border transactions, and collaborating with taxation experts in the PwC network across the world.

Johan is a Qualified CA and a member of the Institute of Chartered Accountants of Namibia (ICAN) and South African Institute of Chartered Accountants (SAICA).

# **Contact Us**

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